

SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: Amendment to Short Term Disability Agreement with Florida Combined Life for Claims Runoff

REQUESTED ACTION: Approval of Amendment

☐ Work Session (Report Only)

☒ Regular Meeting

DATE OF MEETING: Feb 9, 2010

☐ Special Meeting

CONTRACT: ☒ N/A

Effective Date: Oct 1, 2009

Managing Division / Dept:

Vendor/Entity: Florida Combined Life

Termination Date: Sept 30, 2010

Risk Management

BUDGET IMPACT: \$14,500 (budgeted)

☐ Annual

☐ Capital

☐ N/A

FUNDING SOURCE:

Health Fund

EXPENDITURE ACCOUNT:

501-595-591-4541 & 501-595-591-4538

HISTORY/FACTS/ISSUES:

Sumter County was self insured for Short Term Disability during fiscal year 2008-2009 with Florida Combined Life (FCL) providing Administrative Services Only (ASO) for the plan management. FCL agreed to provide claims run off management for any Short Term Disability Claims with an effective starting date prior to October 1, 2009 and that were paid on or after October 1, 2009 through September 30, 2010.

The rate to be charged is 12% of the actual claims (approximately \$1,600) plus reimbursement for the actual claim cost (approximately \$12,900). All old year claims and management fees have been paid to date. One additional claim has been denied, but is being challenged. If this claim is re-opened and approved the additional cost would not exceed \$526 for claim management and \$4,380 for actual claim payments.
